

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
NORTHERN DIVISION

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GREAT AMERICAN INSURANCE COMPANY,

Plaintiff,

v.

Case Number 09-12488-BC  
Honorable Thomas L. Ludington

GEOSTAR CORPORATION, TONY P.  
FERGUSON, THOM E. ROBINSON, JOHN W.  
PARROTT, S. DAVID PLUMMER, SPENCER D.  
PLUMMER, CLASSICSTAR FARMS, INC.,  
CLASSICSTAR FARMS, LLC, FIRST SOURCE  
WYOMING, INC., GEOSTAR EQUINE ENERGY,  
INC., GEOSTAR FINANCIAL CORPORATION,  
GEOSTAR FINANCIAL SERVICES  
CORPORATION, and DOES 1-100,

Defendants,

and

AXIS REINSURANCE COMPANY,

Plaintiff,

v.

Case Number 09-12608-BC  
Honorable Thomas L. Ludington

GEOSTAR CORPORATION, TONY P.  
FERGUSON, THOM E. ROBINSON, JOHN W.  
PARROTT, S. DAVID PLUMMER, SPENCER D.  
PLUMMER, CLASSICSTAR FARMS, INC.,  
CLASSICSTAR FARMS, LLC, FIRST SOURCE  
WYOMING, INC., GEOSTAR EQUINE ENERGY,  
INC., GEOSTAR FINANCIAL CORPORATION,  
GEOSTAR FINANCIAL SERVICES  
CORPORATION, and DOES 1-100,

Defendants,

and

GEOSTAR CORPORATION, TONY P.  
FERGUSON, THOM E. ROBINSON, JOHN W.  
PARROTT, CLASSICSTAR FARMS, INC., FIRST  
SOURCE WYOMING, INC., GEOSTAR  
FINANCIAL CORPORATION, and GEOSTAR  
FINANCIAL SERVICES CORPORATION,

Plaintiffs,

v.

Case Number 09-14306-BC  
Honorable Thomas L. Ludington

AXIS REINSURANCE COMPANY,

Defendant,

v.

S. DAVID PLUMMER and SPENCER D.  
PLUMMER,

Plaintiff-Intervenors.

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**STIPULATED JUDGMENT**

The parties to the above-captioned cases agree to a Stipulated Judgment as follows:

1. The plaintiff insurers, Great American Insurance Company (“Great American”) and AXIS Reinsurance Company (“AXIS”), filed the captioned lawsuits (case numbers 09-12488 and 09-12608) to obtain a judicial declaration that, among other things, the insurance policies listed in paragraph 2 below are rescinded and void *ab initio*.

2. The plaintiff insurers issued the following insurance policies (collectively, the “Policies”), respectively:

a. AXIS Policy No. RCN 504100-00 (Policy Period September 18, 2004-05) (“2004 AXIS Policy”);

- b. Great American Policy No. DFX0009868 (Policy Period September 18, 2004-05) (“2004 Great American Policy”);
- c. AXIS Policy No. RCN 709799/01/2005 (Policy Period September 18, 2005-06, extended by endorsement to March 30, 2007, with an extended reporting period until March 30, 2008) (“2005 AXIS Policy”);
- d. Great American Policy No. DFX0009868 (Policy Period September 18, 2005-06, extended by endorsement to March 18, 2007, with an extended reporting period until March 18, 2008) (“2005 Great American Policy”).

3. The plaintiff insurers issued the Policies in reliance on information provided by the defendant insureds in the following written applications and related documents (collectively, the “Applications”), respectively:

- a. SecurExcess Application for an Excess Policy was signed on July 9, 2004 and, along with related documents including financial statements, submitted to AXIS to obtain the 2004 AXIS Policy;
- b. Private Corporation Proposal Form was signed on October 28, 2004 and, along with related documents including financial statements, submitted to Great American to obtain the 2004 Great American Policy;
- c. SecurExcess Application for an Excess Policy was signed on September 1, 2005 and, along with related documents including financial statements, submitted to AXIS to obtain the 2005 AXIS Policy;
- d. Private Corporation Renewal Proposal Form was signed on September 1, 2005 and, along with related documents including financial statements, submitted to Great American to obtain the 2005 Great American Policy.

4. The individual defendants held the following positions, among others, at the time the Applications were signed:

- a. Thom E. Robinson was the President and Chairman of the Board of Directors of GeoStar Corporation, ClassicStar Farms, Inc., ClassicStar Farms, LLC, First Source Wyoming, Inc., GeoStar Equine Energy, Inc., GeoStar Financial Corporation, and GeoStar Financial Services Corporation. Thom E. Robinson was also a Manager of ClassicStar, LLC;
- b. John W. Parrott was a director, officer, and the in-house general counsel of GeoStar Corporation, ClassicStar Farms, Inc., ClassicStar Farms, LLC, First Source Wyoming, Inc., GeoStar Equine Energy, Inc., GeoStar Financial Corporation, and GeoStar Financial Services Corporation;
- c. Tony P. Ferguson was a director and officer of GeoStar Corporation, ClassicStar Farms, Inc., ClassicStar Farms, LLC, First Source Wyoming, Inc., GeoStar Equine Energy, Inc., GeoStar Financial Corporation, and GeoStar Financial Services Corporation. Tony P. Ferguson was also a Manager of ClassicStar Farms, LLC;
- d. S. David Plummer was the former President of ClassicStar, LLC and the Director of Marketing for GeoStar Corporation; and
- e. Spencer D. Plummer was the President of ClassicStar, LLC.

5. The requirements for rescission of the Policies, including all premiums being returned, have been met.

6. The parties each consent to the entry of an order declaring the Policies rescinded and void *ab initio*, and dismissing their lawsuits with prejudice and with each party bearing its own costs, as set forth in the attached proposed order.

Dated: July 16, 2010

/s/Paul F. Matousek

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Respectfully submitted,

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UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
NORTHERN DIVISION

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GREAT AMERICAN INSURANCE COMPANY,

Plaintiff,

v.

Case Number 09-12488-BC  
Honorable Thomas L. Ludington

GEOSTAR CORPORATION, TONY P.  
FERGUSON, THOM E. ROBINSON, JOHN W.  
PARROTT, S. DAVID PLUMMER, SPENCER D.  
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CLASSICSTAR FARMS, LLC, FIRST SOURCE  
WYOMING, INC., GEOSTAR EQUINE ENERGY,  
INC., GEOSTAR FINANCIAL CORPORATION,  
GEOSTAR FINANCIAL SERVICES  
CORPORATION, and DOES 1-100,

Defendants,

and

AXIS REINSURANCE COMPANY,

Plaintiff,

v.

Case Number 09-12608-BC  
Honorable Thomas L. Ludington

GEOSTAR CORPORATION, TONY P.  
FERGUSON, THOM E. ROBINSON, JOHN W.  
PARROTT, S. DAVID PLUMMER, SPENCER D.  
PLUMMER, CLASSICSTAR FARMS, INC.,  
CLASSICSTAR FARMS, LLC, FIRST SOURCE  
WYOMING, INC., GEOSTAR EQUINE ENERGY,  
INC., GEOSTAR FINANCIAL CORPORATION,  
GEOSTAR FINANCIAL SERVICES  
CORPORATION, and DOES 1-100,

Defendants,

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GEOSTAR CORPORATION, TONY P.  
FERGUSON, THOM E. ROBINSON, JOHN W.  
PARROTT, CLASSICSTAR FARMS, INC., FIRST  
SOURCE WYOMING, INC., GEOSTAR  
FINANCIAL CORPORATION, and GEOSTAR  
FINANCIAL SERVICES CORPORATION,

Plaintiffs,

v.

Case Number 09-14306-BC  
Honorable Thomas L. Ludington

AXIS REINSURANCE COMPANY,

Defendant,

v.

S. DAVID PLUMMER and SPENCER D.  
PLUMMER,

Plaintiff-Intervenors.

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**ORDER**

The Court, having considered the Stipulated Judgment dated July 16, 2010, hereby orders as follows:

1. The insurance policies at issue in the above-captioned cases are rescinded and void *ab initio* because the requirements for rescission of the Policies, including all premiums being returned, have been met.

2. The above-captioned cases (case numbers 09-12488, 09-12608, and 09-14306) are DISMISSED WITH PREJUDICE with each party bearing its own costs.

s/Thomas L. Ludington  
THOMAS L. LUDINGTON  
United States District Judge

Dated: July 23, 2010

**PROOF OF SERVICE**

The undersigned certifies that a copy of the foregoing order was served upon each attorney or party of record herein by electronic means or first class U.S. mail on July 23, 2010.

s/Tracy A. Jacobs  
TRACY A. JACOBS